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Paul J. McNulty, United States Attorney for the Eastern District of Virginia and Charles Pine, Special Agent-in-Charge of the Internal Revenue Service Criminal Investigations Division (IRS-CID), announced the guilty plea on December 1, 2005 of an Alexandria, Virginia man, Jean Nicolas Lataillade, for violating federal law prohibiting individuals from structuring transactions to evade reporting requirements. Lataillade illegally structured thirty-one cash deposits totaling \$255,990.00 into his bank accounts in an attempt to hide from the Internal Revenue Service cash payments made to him while employed as a sales executive for an international telecommunications company.

Jean Nicolas Lataillade, age 45, is a 1981 graduate from Georgetown University with a degree in accounting. Lataillade's guilty plea to structuring cash into his bank account was the result of an investigation conducted by a newly formed and expanding Northern Virginia task force that is scrutinizing unlicensed money transmitting businesses known as 'hawalas,' and unusual banking activities such as structuring, also known as "smurfing," where large sums of cash are broken down into multiple low dollar bank deposits in an effort to hide the money from law enforcement. Smurfing money into bank accounts is a method often employed by money launderers to hide drug proceeds or profits from other criminal activities.

The task force that investigated Mr. Lataillade is comprised of federal law enforcement agents and local police detectives from the IRS, U.S.S.S., Metropolitan Washington Airport Authority, Virginia State Police, and Alexandria and Arlington Police Departments. The new task force is part of the larger Baltimore/Washington High Intensity Drug Trafficking Area task force and is also supported by the US Attorney's Office in the Eastern District of Virginia, Virginia State Attorney General's Office, and IRS Criminal Investigations Division.

Lataillade entered his plea in Alexandria Federal Court before the Honorable T.S. Ellis, III, and will be sentenced on February 10, 2006. He could face up to five years in prison. In addition to possible jail time, Lataillade agree to forfeit \$59,400.00 in funds directly traced to structured cash transactions. Lataillade has also agreed to file amended income tax returns to report the \$255,990.00 in income that he attempted to hide from the Internal Revenue Service.